

106TH CONGRESS
2D SESSION

S. 3038

To amend title XVIII of the Social Security Act to update the renal dialysis composite rate.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 12, 2000

Mr. CONRAD (for himself, Mr. FRIST, Mr. DEWINE, Mr. BRYAN, and Mr. THOMPSON) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title XVIII of the Social Security Act to update the renal dialysis composite rate.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Medicare Renal Dialy-
5 sis Payment Fairness Act of 2000”.

6 **SEC. 2. UPDATE IN RENAL DIALYSIS COMPOSITE RATE.**

7 (a) IN GENERAL.—The last sentence of section
8 1881(b)(7) of the Social Security Act (42 U.S.C.
9 1395rr(b)(7)) is amended by striking “and for such serv-
10 ices” and all that follows before the period at the end and

1 inserting the following: “for such services furnished during
 2 2001, by 2.4 percent above such composite rate payment
 3 amounts for such services furnished on December 31,
 4 2000, and for such services furnished during a subsequent
 5 year, by the ESRD market basket percentage increase (in-
 6 cluding any additional factors that may increase costs de-
 7 scribed in paragraph (12)(B)) above such composite rate
 8 payment amounts for such services furnished on December
 9 31 of the previous year”.

10 (b) ESRD MARKET BASKET PERCENTAGE INCREASE
 11 DEFINED.—Section 1881(b) of the Social Security Act
 12 (42 U.S.C. 1395rr(b)) is amended by adding at the end
 13 the following new paragraph:

14 “(12)(A) For purposes of this title, the term ‘ESRD
 15 market basket percentage increase’ means, with respect to
 16 a calendar year, the percentage (estimated by the Sec-
 17 retary before the beginning of such year) by which—

18 “(i) the cost of the mix of goods and services
 19 included in the provision of dialysis services (includ-
 20 ing the costs described in subparagraph (D)) that is
 21 determined based on an index of appropriately
 22 weighted indicators of changes in wages and prices
 23 which are representative of the mix of goods and
 24 services included in such dialysis services for the cal-
 25 endar year; exceeds

1 “(ii) the cost of such mix of goods and services
2 for the preceding calendar year.

3 “(B) In addition to determining the percentage up-
4 date under subparagraph (A), the Secretary shall also take
5 into account any increase in the costs of furnishing the
6 mix of goods and services described in such subparagraph
7 resulting from—

8 “(i) the adoption of scientific and technological
9 innovations used to provide dialysis services;

10 “(ii) changes in the manner or method of deliv-
11 ering dialysis services;

12 “(iii) productivity improvements in the provi-
13 sion of dialysis services; and

14 “(iv) any other relevant factor.

15 “(C) The Secretary shall periodically review and up-
16 date (as necessary) the items and services included in the
17 mix of goods and services used to determine the percent-
18 age under subparagraph (A).

19 “(D) The costs described in this subparagraph
20 include—

21 “(i) labor, including direct patient care costs
22 and administrative labor costs, vacation and holiday
23 pay, payroll taxes, and employee benefits;

24 “(ii) other direct costs, including drugs, sup-
25 plies, and laboratory fees;

1 “(iii) overhead, including medical director fees,
2 temporary services, general and administrative costs,
3 interest expenses, and bad debt;
4 “(iv) capital, including rent, real estate taxes,
5 depreciation, utilities, repairs, and maintenance; and
6 “(v) such other allowable costs as the Secretary
7 may specify.”.

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